

# PLANNING

## STUDY NOTES

### ● Planning

Planning is deciding in advance what to do and how to do. Planning seeks to bridge the gap between where we are and where we want to go.

### ● Features of Planning

- Planning focuses on achieving objectives/ Goal oriented process
- Planning is a primary function of management
- Planning is continuous
- Planning involves decision making
- Planning is pervasive
- Planning is futuristic
- Planning is a mental exercise

### ● Importance of Planning

- Planning provides directions
- Planning reduces overlapping and wasteful activities
- Planning promotes innovative ideas
- Planning establishes standards for controlling
- Planning reduces the risks of uncertainty
- Planning facilitates decision making

### ● Limitations of Planning

- Planning leads to rigidity
- Planning reduces creativity
- Planning is a time-consuming process
- Planning may not work in a dynamic environment:
- Planning involves huge costs
- Planning does not guarantee success

### ● Planning Process

Since planning is an activity there are certain logical steps for every manager to follow.

- Setting Objectives
- Identifying Alternatives
- Formulating Derivative plans
- Establishing Planning Premises
- Follow up Plans
- Evaluation & choice

### ● Types of Plans—Standing Plans and single use plans

Based on what the plans seeks to achieve and the method which the plan would like to adopt, plans can be classified as different types — Objectives, Strategy, Policy, Procedure, Method, Rule, Programme, Budget.

#### ➤ Objectives (Standing)

The first step in planning is setting objectives. Objectives, therefore, can be said to be the desired future position that the management would like to reach. Objectives are very basic to the organisation and they are defined as ends which the management seeks to achieve by its operations.

#### ➤ Strategy (Standing)

A strategy is a comprehensive plan for accomplishing organisational objectives. This comprehensive plan will include three dimensions,

- (a) Determining long term objectives,

- (b) Adopting a particular course of action, and
- (c) Allocating resources necessary to achieve the objective.

Whenever a strategy is formulated, the business environment needs to be taken into consideration. The changes in the economic, political, social, legal and technological environment will affect an organisations strategy.

- **Policy (Standing):** Policies are general statements that guide thinking or channelise energies towards a particular direction. They are guides to managerial action and decisions in the implementation of strategy.
- **Procedure (Standing):** Procedures are routine steps on how to carry out activities. They detail the exact manner in which any work is to be performed. They are specified in a chronological order.
- **Method (Standing):** Methods provide the prescribed ways or manner in which a task has to be performed considering the objective. It deals with a task comprising one step of a procedure and specifies how this step is to be performed.
- **Rule (Standing):** Rules are specific statements that inform what is to be done. They do not allow for any flexibility or discretion.
- **Programme (Single use):** Programmes are detailed statements about a project which outlines the objectives, policies, procedures, rules, tasks, human and physical resources required and the budget to implement any course of action.
- **Budget (Single use):** A budget is a statement of expected results expressed in numerical terms. It is a plan which quantifies future facts and figures.

## QUESTION BANK

### MULTIPLE CHOICE QUESTIONS

1. "Dreams can be turned into reality only if business managers think in advance on what to do and how to do it." Which function of management should perform by the manager?
  - (a) Planning
  - (b) Organising
  - (c) Directing
  - (d) Staffing
2. According to Dr. G.R. Terry "The assumptions providing a background against which the estimated events affecting the planning will take place." Identify the step of the planning function of management highlighted above.
  - (a) Setting Objectives
  - (b) Developing Premises,
  - (c) Identifying alternative courses of action
  - (d) Selecting an alternative.
3. Name the function of management which serves as the basis of coordinating the activities and efforts of different divisions, departments and individuals. Which helps in avoiding confusion and misunderstanding.
  - (a) Planning
  - (b) Organising
  - (c) Directing
  - (d) Staffing
4. The planning function of the management has certain special features. Which of the following is not a feature of Planning?
  - (a) Planning focuses on achieving objectives.
  - (b) Planning is a primary function of management
  - (c) Planning establishes standards for controlling.
  - (d) Planning involves thorough examination and evaluation of each alternative and choosing the most appropriate one.
5. Planning cannot foresee everything, and thus, there may be obstacles to effective planning. Identify the related limitation of Planning.
  - (a) Planning leads to rigidity
  - (b) Planning may not work in a dynamic environment
  - (c) Planning does not guarantee success
  - (d) Planning involves huge costs.

6. According to Dr. G.R. Terry "Assumptions provide a background against which the estimated events affecting the planning will take place." Identify the step of planning function highlighted in the above statement.
- (a) Setting Objectives (b) Developing Premises  
(c) Identifying alternative courses of action (d) Selecting an alternative
7. Raju Ltd. has the largest share of 62% in the market. The company do not sale on credit. In 2020, for the first time company's number one position in the industry has been threatened because other companies started selling products on credit also. But the managers of Raju Ltd. continued to rely on it's previously tried and tested successful plans which didn't work because the environment is not static. This led to decline in sales of Raju Ltd. The above situation is indicating limitations of planning which led to decline in it sales. Identify from the following ,which limitation of Planning is highlighted in aforesaid statement.
- (a) Planning leads to rigidity (b) Planning reduces creativity  
(c) Planning does not guarantee success (d) Planning involves huge costs.
8. Planning is concerned with the future which is uncertain and every planner is using conjecture about what might happen in future. Therefore, the manager is required to make certain assumptions about the future. These assumptions are called \_\_\_\_\_
- (a) Premises (b) Planning (c) Plans (d) Requisition
9. The course of action which may be taken could be either routine or innovative. An innovative course may be adopted by involving more people and sharing their ideas. If the project is important, then more alternatives should be generated and thoroughly discussed amongst the members of the organisation. Identify which step of planning process identified here:
- (a) Setting Objectives (b) Developing Premises  
(c) Identifying alternative courses of action (d) Evaluating alternative courses
10. Which of the following statements is not true with reference to planning?
- (a) Planning shows the way to deal with changes and uncertain events.  
(b) Planning does not lead to rigidity.  
(c) Planning provides the goals or standards against which actual performance is measured.  
(d) The scope of planning differs at different levels and among different departments
11. "Planning requires logical and systematic thinking rather than guess work or wishful thinking, thinking for planning must be orderly and based on the analysis of facts and forecasts." Identify the related feature of planning.
- (a) Planning is futuristic (b) Planning is a mental exercise  
(c) Planning establishes standards for controlling (d) Planning focuses on achieving objectives
12. "The objective at the top of the hierarchy is to consider mid and long term strategy for the organization at large. Middle managers usually take a more specific aspect of this larger strategy, and ensure a more detailed implementation. Managers on the front line focus almost exclusively on effective execution, and are often much more short-term oriented. This allows each class of management to narrow their focus enough for the work to actually be manageable." At what managerial level planning is require?
- (a) Top level (b) Middle level (c) Lower level (d) All levels
13. External limitations of planning are PESTEL, Political climate, labour union, Technological changes, policies of competitors, Natural climate etc. Identify which of the following is not the element of internal limitation of planning?
- (a) Capital (b) Raw material  
(c) Machine (d) Decrease in demand of good in market
14. Although the percentage of businesses involved in crisis planning increased after 2001. Some managers believe crisis planning is unnecessary while others become overwhelmed when attempting to plan for all potential crises. Even those managers who develop plans may find them overly simplistic or ineffective when crises occur. Managers believe in planning as Planning results in decreasing \_\_\_\_\_
- (a) Cooperation (b) Best use of available resources  
(c) Control on external factors in environment (d) Future uncertainties

15. Planning is preparing a sequence of action steps to achieve some specific goal. If a manager does it effectively, they can reduce much of the necessary time and effort of achieving the goal. A plan is like a map. When can the planning process be ignored?
- (a) In this Pandemic, in any emergency situation (b) In any of ordinary situation  
(c) Both of the above (d) In no situation
16. The essence of planning is asking and answering questions: Where have we come from?, where are we? Where do we want to go? How are we going to get there? Identify the essence of planning from the following given options.
- (a) Organising (b) Staffing  
(c) Forecasting (d) Controlling
17. Departmental (or functional) planning is concerned with marketing, production, human resources etc. It makes sure experts in each of the different departments are responsible to uphold what is needed to make the company successful. Planning of different department is \_\_\_\_\_
- (a) Independent decisions of each department (b) Mutually dependent on each other  
(c) Individual efforts to achieve goals (d) None of these
18. Resources are people, equipment, place, money, or anything else that a manager need in order to do all of the activities that he/she planned for. Identify from the following, what type of resources are specially kept in view in planning?
- (a) Limited (b) Unlimited  
(c) Both (a) and (b) (d) None of the above
19. Planning is first and foremost an activity to achieve desired results. In the context of planning Which of the following is not correct?
- (a) Planning is one time process (b) Planning focuses on achieving objectives  
(c) Planning affects profitability (d) Planning is futuristic
20. Pervasive is most often used for things we don't really want spreading throughout all parts of something: a pervasive problem, a stench that is pervasive, pervasive corruption. Pervasiveness of planning indicates that planning:-
- (a) Is a top management function (b) Extends throughout the organisation  
(c) Is a future-oriented activity (d) Is the first element of the management process
21. This is the process by which information acquired through associated learning and stored in long-term memory is accessed unconsciously to form the basis of a judgment or decision. "Making decisions on the basis of experience, feelings and accumulated judgment is called as---"
- (a) Decision making (b) Structured problems  
(c) Intuitive decision making (d) None of the above
22. Which of the following qualities a manager must possess to succeed in planning?
- (a) Reflective Thinking (b) Imagination  
(c) Farsightedness (d) All of these
23. "Planning creates rigidity by putting adverse effect on initiative taken by the managers."Planning leads to rigidity is a:-
- (a) Importance of Planning (b) Method of Planning  
(c) Limitation of planning (d) Characteristics of planning
24. An implementation plan is designed to document, in detail, the critical steps necessary to put your solutions into practice. It is a step-by-step list of tasks with assigned owners and due dates and helps the project team stay on track. Plans can be implemented after
- (a) Selecting an alternative (b) Setting objectives  
(c) Follow up action (d) Developing premises

25. "The top management undertakes planning for the organisation as a whole. Middle management does the departmental planning. At the lowest level, day-to-day operational planning is done by supervisors" Identify If this is:
- (a) Features of planning (b) Importance of planning  
(c) Limitations of planning (d) Process of planning
26. In this Pandemic Covid-19 due to tough situations "if economic policies are modified or political conditions in the country are not stable or there is a natural calamity. Competition in the market can also upset financial plans, sales targets may have to be revised and, accordingly, cash budgets also need to be modified since they are based on sales figures. Identify If this is:
- (a) Features of planning (b) Importance of planning  
(c) Limitations of planning (d) Process of planning
27. "Detailed plans require scientific calculations to ascertain facts and figures. The costs incurred sometimes may not justify the benefits derived from the plans. There are a number of incidental costs as well, like expenses on boardroom meetings, discussions with professional experts and preliminary investigations to find out the viability of the plan. Identify If this is:
- (a) Features of planning (b) Importance of planning  
(c) Limitations of planning (d) Process of planning
28. "To evaluate such proposals detailed calculations of earnings, earnings per share, interest, taxes, dividends are made and decisions taken" Identify the step of planning function of management highlighted above.
- (a) Selecting an alternative (b) Setting objectives  
(c) Follow up action (d) Evaluating alternative courses
29. "Planning presupposes the existence of alternatives. It involves thorough examination and evaluation of each alternative and choosing the most appropriate one" Identify the feature/characteristics of planning highlighted above.
- (a) Planning is continuous (b) Planning is futuristic  
(c) Planning is pervasive (d) Planning is a mental exercise
30. "Planning is the first function of management, new ideas can take the shape of concrete plans". It is the most challenging activity for the management as \_\_\_\_\_.
- (a) It guides all future actions leading to growth and prosperity of the business  
(b) Changes or events cannot be eliminated but they can be anticipated and managerial responses to them can be developed.  
(c) It helps in avoiding confusion and misunderstanding  
(d) None of above

31. Match the concept of marketing in Column I with their respective definition in Column II

Column I		Column II	
I.	Exclusive function of top management	A.	Planning is continuous
II.	A plan is framed, it is implemented, and is followed by another plan on the basis of new requirements and future conditions.	B.	Planning is time consuming process
III.	Planning involves collection of information, it's analysis and interpretation thereof.	C.	Planning
IV.	Feature of Planning	D.	Pervasive

- (a) I – C, II – B, III – A, IV – D (b) I – B, II – A, III – C, IV – D  
(c) I – A, II – C, III – B, IV – D (d) I – C, II – A, III – B, IV – D

32. Match the concept of Column I with Column II

Column I		Column II	
I.	The purpose of planning is	A.	Forecasting
II.	This is important in developing planning premises	B.	To meet future events effectively to the best advantages of an organisation
III.	Main aspect in concept of planning	C.	Setting objective for a given time period
IV.	Mental exercise	D.	Planning

- (a) I – C, II – B, III – A, IV – D  
 (b) I – B, II – A, III – C, IV – D  
 (c) I – A, II – C, III – B, IV – D  
 (d) I – D, II – B, III – C, IV – A

33. Match the concept of Planning in Column I with their respective definition in Column II

Column I		Column II	
I.	Planning helps in taking rational decisions	A.	Planning involves setting targets and predicting future conditions, thus helping in taking rational decisions.
II.	Primacy of planning	B.	Planning precedes other functions
III.	Consequences when no planning is there	C.	Employees would be working in different direction and the organisation would not be able to achieve desired goals.
IV.	Continuous	D.	Setting of long term goals

- (a) I – C, II – B, III – A, IV – D  
 (b) I – B, II – A, III – C, IV – D  
 (c) I – A, II – C, III – B, IV – D  
 (d) I – C, II – A, III – B, IV – D

34. Match the concept of marketing in Column I with their respective definition in Column II

Column I		Column II	
I.	Operational planning	A.	Top level management
II.	Departmental planning	B.	Middle level management
III.	Planning for the entire organisation	C.	Supervisory level of management

- (a) I – C, II – B, III – A  
 (b) I – B, II – A, III – C  
 (c) I – A, II – C, III – B  
 (d) I – C, II – B, III – C

35. Planning, thus, involves setting objectives and developing appropriate courses of action to achieve these objectives. Objectives provide direction for all managerial decisions and actions. Planning provides a rational approach for achieving predetermined objectives. Planning is a \_\_\_\_\_ exercise.

- (a) Physical                      (b) Mental                      (c) Psychological                      (d) Creative

36. By stating in advance how work is to be done planning provides direction for action. Planning ensures that the goals or objectives are clearly stated so that they act as a guide for deciding what action should be taken and in which direction. If goals are well defined, employees are aware of what the organisation has to do and what they must do to achieve those goals. Planning establishes \_\_\_\_\_ for controlling.

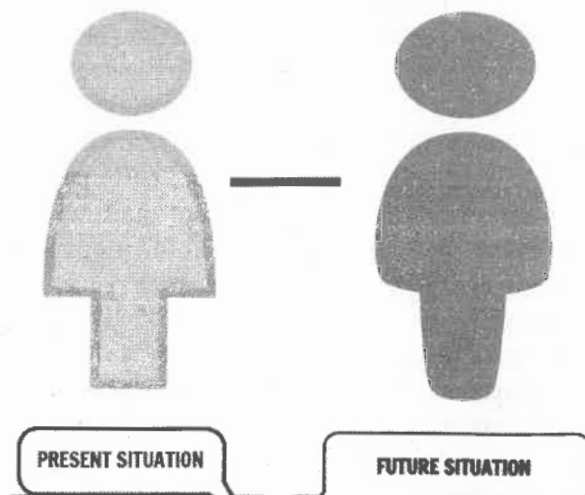
- (a) Objectives                      (b) Goals                      (c) Standards                      (d) Targets

37. The business environment is dynamic, nothing is constant. The environment consists of a number of dimensions, economic, political, physical, legal and social dimensions. The organisation has to constantly adapt itself to changes. It becomes difficult to accurately assess future trends in the environment if economic policies are modified or political conditions in the country are not stable or there is a natural calamity. Competition in the market can also upset financial plans, sales targets may have to be revised and, accordingly, cash budgets also need to be modified since they are based on sales figures. Planning cannot foresee everything and thus, there may be obstacles to effective planning. Planning may not work in \_\_\_\_\_ environment

- (a) Business                      (b) Legal                      (c) Political                      (d) Dyanamic

38. In an organisation, a well-defined plan is drawn up with specific goals to be achieved within a specific time frame. These plans then decide the future course of action and managers may not be in a position to change it. This kind of rigidity in plans may create difficulty. Managers need to be given some flexibility to be able to cope with the changed circumstances Planning helps in reducing for \_\_\_\_\_
- (a) Memory (b) Direction of action (c) Risk of uncertainty (d) Power
39. Planning serves as the basis of coordinating the activities and efforts of different divisions, departments and individuals. It helps in avoiding confusion and misunderstanding. Since planning ensures clarity in thought and action, work is carried on smoothly without interruptions. Useless and redundant activities are minimised or eliminated. It is easier to detect inefficiencies and take corrective measures to deal with them One of the following is not an importance of planning
- (a) Primary function (b) Promotes innovations (c) Establishes standards (d) Facilitates decision
40. Planning involves setting of goals. The entire managerial process is concerned with accomplishing predetermined goals through planning, organising, staffing, directing and controlling. Planning provides the goals or standards against which actual performance is measured. By comparing actual performance with some standard, managers can know whether they have actually been able to attain the goals. If there is any deviation it can be corrected. Therefore, we can say that planning is a prerequisite for controlling. Forecasting is the essence of \_\_\_\_\_
- (a) Controlling (b) Organising (c) Directing (d) Planning
41. Plans are prepared for a specific period of time, may be for a month, a quarter, or a year. At the end Business Studies of that period there is need for a new plan to be drawn on the basis of new requirements and future conditions. Hence, planning is a continuous process. Continuity of planning is related with the planning cycle. It means that a plan is framed, it is implemented, and is followed by another plan, and so on. Planning is a \_\_\_\_\_ process
- (a) Periodic (b) Continuous (c) Casual (d) Annual
42. The need for planning arises only when alternatives are available. In actual practice, planning presupposes the existence of alternatives. Planning, thus, involves thorough examination and evaluation of each alternative and choosing the most appropriate one. Planning requires logical and \_\_\_\_\_ thinking rather than guess work of wishful thinking.
- (a) Sound (b) Systematic  
(c) Smart (d) Strong
43. Planning is required at \_\_\_\_\_ levels.
- (a) Top (b) Middle (c) Operational (d) All
44. Planning does not guarantee \_\_\_\_\_.
- (a) Failure (b) Success (c) Profit (d) Turnover
45. Which of the following leads planning to failure?
- (a) Change in technology (b) Natural calamity  
(c) Change in government (d) All of the above
46. The second step in the planning process is to \_\_\_\_\_.
- (a) Setting objectives (b) Developing premises  
(c) Selecting an alternative (d) Follow up action
47. Plans can be implemented after \_\_\_\_\_.
- (a) Developing premises (b) Setting objectives  
(c) Follow up action (d) Selecting an alternative
48. Implementing the plan is concerned with putting the plan into \_\_\_\_\_.
- (a) Function (b) Action (c) Picture (d) Selection
49. Planning of different departments is \_\_\_\_\_.
- (a) Independent (b) Individual  
(c) Mutually dependent (d) None of these

50. Observe the picture given below:



Identify which function of management is given above?

- (a) Planning                      (b) Organizing                      (c) Directing                      (d) Staffing

### INPUT-TEXT BASED MCQs

Read the following text and answer the following questions (51 to 54) on the basis of the same:

Government plans measures to create more jobs in post Covid-19 scenario. Realising the challenges posed by the migration of lakhs of workers to their home states, the Modi government had been quick to appoint a group of ministers, to ensure that new means of livelihood are generated and the skill training is accelerated. Detailed plans are prepared after discussion with professional experts. Preliminary investigations are also undertaken to find out the viability of the plan... professional experts are neither allowed to deviate from the plans nor are they permitted to act on their own. Promoting herbal and medical gardens in tribal areas, providing street vendors access to credit and using the infrastructure of the Industrial Training Institutes (ITIs) are among a slew of measures that the Centre is examining to generate employment in the post-Covid scenario. "There will be brainstorming and presentations on all these aspects in the coming days. And many of these measures will soon be launched as the government is increasingly focusing on giving a boost to employment and livelihood,"

51. "Detailed plans are prepared after discussion with professional experts. Preliminary investigations are also undertaken to find out the viability of the plan...middle level managers are neither allowed to deviate from the plans nor are they permitted to act on their own". Identify the limitation of planning highlighted above.
- (a) Planning leads to rigidity                      (b) Planning reduces creativity  
(c) Planning is time consuming process                      (d) Planning does not guarantee success
52. Identify the step of the function of management identified as highlighted in above given case.
- (a) Identifying alternative courses of action                      (b) Evaluating alternative courses  
(c) Selecting an alternative                      (d) Both (b) and (c)
53. "There will be brainstorming and presentations on all these aspects in the coming days. And many of these measures will soon be launched as the government is increasingly focusing on giving a boost to employment and livelihood,". Which feature of planning highlighted in these lines.
- (a) Planning is continuous                      (b) Planning is futuristic  
(c) Planning is pervasive                      (d) Planning is a mental exercise
54. "Detailed plans are prepared after discussion with professional experts. Preliminary investigations are also undertaken to find out the viability of the plan". Which limitation/s of planning highlighted in these lines.
- (a) Planning involves huge costs                      (b) Planning does not guarantee success  
(c) Both (a) and (b)                      (d) None of the above



**Read the following text and answer the following questions (55 to 59) on the basis of the same:**

As Zara underwent a situation that it had never experienced before (the pandemic), its ability to ship products to its stores was either halted or severely slowed due to lockdowns. Before the pandemic, Zara had massive daily sales and had been showing significant increases in inventory turnover, which indicated the company was in a healthy financial position. Apart from its physical stores, Zara also has a wide online network. It books online orders, and its shipping is available worldwide. Zara has maintained a website under the domain “Zara.com” and has an app with the same name. All the store’s products are displayed on its website and application, and customers can easily make orders through either. In the initial years the managers also made certain assumptions about the future, and forecasting was made about the demand for new products, prices of machinery and equipment needed for production. However, the coronavirus greatly affected Zara due to the shutdown of stores and the shift in consumer preferences and spending patterns. The Wall Street Journal reported that, due to the coronavirus pandemic, downloads of Zara’s app fell by around 14% in US markets. Consumers prioritized the purchase of staple items and groceries. They held back on discretionary spending because of the uncertainty surrounding their employment. More than 60 percent of consumers report spending less on fashion during the crisis, and approximately half expect that trend to continue after the crisis passes. However, consumers are likely to cut back on accessories, jewelry, and other discretionary categories before reducing their spending on apparel and footwear this is why the fast fashion industry was held back for a shorter span of time.

55. “In the initial years the managers also made certain assumptions about the future, and forecasting was made about the demand for new products, prices of machinery and equipment needed for production.” Identify the step of function of management highlighted in these lines.
- (a) Setting objectives (b) Developing premises  
(c) Both a) and b) (d) None of the above
56. “As Zara underwent a situation that it had never experienced before (the pandemic), its ability to ship products to its stores was either halted or severely slowed due to lockdowns. Before the pandemic, Zara had massive daily sales.” for this situation of ZARA identify which statement is correct from following:
- (a) Planning may not work in dynamic environment  
(b) Planning leads to rigidity  
(c) Planning reduces creativity  
(d) None of above
57. “Planning is wasteful activity.” Choose the correct option:
- (a) Statement is correct  
(b) Statement is not correct  
(c) Validity of statement is depends up to given situation  
(d) None of the above
58. There was a shortfall in demand of Zara products as:
- (a) World is full of uncertainties (b) Planning may not work in all situations  
(c) Covid-19 panic situation (d) None of the above is complete explanation
59. When can the planning process be ignored?
- (a) In ordinary situation (b) In emergency  
(c) In small organisation (d) All of the above

**Read the following text and answer the following questions (60 to 63) on the basis of the same:**

A proper feedback mechanism was developed by the mobile phone company throughout its branches so that the actual customer response, revenue collection, employee response, etc. could be known.

If there are any complaints are there in feedback, controlling is the next step step to take corrective actions. What we can say ‘Follow up is the last step in planning process.’?

No, follow up is not always the last step of planning as Follow up is to See Whether Plans Are Being Implemented and Activities Are Being Performed According to Schedule,” if YES, then it is last step but if the answer is no, means if Plans Are not Being Implemented and Activities Are not Being Performed According to Schedule, then corrective steps has to be taken. Follow-up action Planning is a continuous process, so the managers keep on following-up the

plans to see that activities are performed as per the schedule or not. Monitoring the plan constantly and taking feedback at regular intervals is called follow-up. Monitoring of plans is very important to ensure that the plans are being implemented according to the schedule. Regular checks and comparisons of the results with set standards are done to ensure that objectives are achieved.

60. "Planning is the base for controlling". Choose the correct option.
- Statement is correct
  - Statement is not correct
  - Validity of statement is depends up to given situation
  - None of the above
61. "Regular checks and comparisons of the results with set standards are done to ensure that objectives are achieved." *these type of regular checks never help the managers in formulation of new plans.* Choose the correct option.
- Statement is correct
  - Statement is not correct
  - Validity of statement is depends up to given situation
  - None of the above
62. "Planning is a continuous process" this is:
- Limitation of planning
  - Process of planning
  - Importance of planning
  - Features of planning
63. 'Follow up is the last step in planning process.' Choose the correct option.
- Statement is correct
  - Statement is not correct
  - Validity of statement is depends up to given situation
  - None of the above

**Read the following text and answer the following questions (64 to 67) on the basis of the same:**

A stationery products company wants to become a market leader. For this a detailed planning is required. The first step taken by the firm is to set targets for next two weeks duration for selling maximum number of stationery items in the market which they set as 1,80,000. The team doesn't want to make any mistake so they decide to do proper planning. They decide to chalk out alternative plans so that they can arrive at the best possible plan. However the team is surrounded with doubts. To remove doubts it goes for judging the plans to get the most profitable one. The plan is taken to the whole organisation and the concerned persons. Ultimately it is put into action. Without much caring for the results the company starts working on the other project simultaneously.

64. "Ultimately it is put into action" this statement is indicating to which step of planning process.
- Implementation of the plan
  - Identifying alternative courses of action
  - Evaluating the different courses of action
  - Selection of the best plan.
65. "The team doesn't want to make any mistake so they decide to do proper planning. They decide to chalk out alternative plans so that they can arrive at the best possible plan." Identify the step of function of management highlighted in these lines.
- Implementation of the plan
  - Identifying alternative courses of action
  - Evaluating the different courses of action
  - Selection of the best plan.
66. "To remove doubts it goes for selecting the plan which can be considered as the most profitable." Identify which step of planning process is explained in these lines
- Setting objectives
  - Evaluating different courses of action
  - Both (a) and (b)
  - None of the above
67. "The best plan is finalized." Identify the step of function of management highlighted in this given line.
- Implementation of the plan
  - Identifying alternative courses of action
  - Evaluating the different courses of action
  - Selection of the best plan.

Read the following text and answer the following questions (68 to 72) on the basis of the same:

An established firm has thirty years of experience in the mobile phones industry. The company time and again proves itself as one of the dominant figures in the market. The plan for the whole year is given a lot of importance. According to the owner of the company their plans are the basic structures upon which other important functions of management rest. It is important that the plans are communicated to the employees. The top management ensures that the plans are communicated and implemented at all levels and in all departments. To learn from past mistakes is a habit of this successful company. They prepare plans for short term as well as long term where it can be seen that throughout the year the plans are prepared one after another. This industry needs such dedicated companies. The goals are specific and the activities to achieve these specific goals are undertaken. The company has planned a growth of 30% in revenue this year. Let's see how much it's possible for it to achieve it by the end of the year.

68. "According to the owner of the company their plans are the basic structures upon which other important functions of management rest." Identify the related feature of planning.
- (a) Planning is a mental exercise (b) Planning is primary function of management  
(c) Planning focuses on achieving objectives (d) Planning establishes standards for controlling
69. "The top management ensures that the plans are communicated and implemented at all levels and in all departments" Identify the related feature of planning
- (b) Planning is pervasive (b) Planning is primary function of management  
(d) Planning focuses on achieving objectives (c) Planning establishes standards for controlling
70. "They prepare plans for short term as well as long term where it can be seen that throughout the year the plans are prepared one after the other." Identify the related feature of planning.
- (a) Planning is primary function of management (b) Planning is pervasive.  
(c) Planning is continuous. (d) Planning focuses on achieving objectives
71. "Goals are specific and the activities to achieve these specific goals are undertaken." Identify the related feature of planning.
- (a) Planning is pervasive (b) Planning is primary function of management  
(c) Planning is continuous (d) Planning focuses on achieving objectives
72. Planning is helpful in increasing \_\_\_\_\_
- (a) Loss (b) Profit (c) Efficiency (d) None of these

## ANSWERS

### Multiple Choice Questions

- |         |         |         |         |         |         |         |         |         |         |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 1. (a)  | 2. (b)  | 3. (a)  | 4. (c)  | 5. (c)  | 6. (d)  | 7. (c)  | 8. (a)  | 9. (d)  | 10. (b) |
| 11. (b) | 12. (b) | 13. (d) | 14. (d) | 15. (a) | 16. (c) | 17. (b) | 18. (a) | 19. (a) | 20. (b) |
| 21. (c) | 22. (d) | 23. (c) | 24. (a) | 25. (a) | 26. (c) | 27. (c) | 28. (d) | 29. (a) | 30. (a) |
| 31. (d) | 32. (b) | 33. (c) | 34. (a) | 35. (b) | 36. (c) | 37. (d) | 38. (c) | 39. (a) | 40. (d) |
| 41. (b) | 42. (b) | 43. (d) | 44. (b) | 45. (d) | 46. (b) | 47. (d) | 48. (b) | 49. (c) | 50. (a) |

### Input-Text Based MCQs

- |         |         |         |         |         |         |         |         |         |         |
|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| 51. (b) | 52. (d) | 53. (b) | 54. (b) | 55. (b) | 56. (a) | 57. (a) | 58. (d) | 59. (b) | 60. (a) |
| 61. (b) | 62. (d) | 63. (c) | 64. (a) | 65. (b) | 66. (b) | 67. (d) | 68. (a) | 69. (b) | 70. (c) |
| 71. (d) | 72. (c) |         |         |         |         |         |         |         |         |

